

Economic Development Matching Grant Program

Department of Community and Economic Development

Program 1

I. PROGRAM OBJECTIVES

The purpose of this program is to provide economic development assistance to nonprofit businesses, villages, cities, and boroughs throughout the state. Grants are awarded to create employment and have a long-term positive impact on the local or regional economy. The funds cannot be provided for health or safety reasons.

II PROGRAM PROCEDURES

Annually, the department is asked to give economic development via financial assistance or capital construction grants to various nonprofit businesses, villages, cities, boroughs and universities throughout the state. The department's funding must be matched with a minimum of a one-to-one cash ratio using non-state funds. In order for the department to participate in such a program, a grant must be approved by a federal or other granting agency. A grant agreement is then executed between the grantee and the department for the matching funds.

In grant programs where an audit is to be performed by the grantor, an additional state audit may not be required.

III COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED AND NOT ALLOWED

Compliance Requirement

The grant agreement will specify the types of activities and services allowable under the grant. Amendment to the original agreements cannot substantially change the scope of services.

Suggested Audit Procedures

- Review the grant agreement;
- Identify the services and activities to be provided; and
- Test financial and related records to determine if the funds expended were used for the purpose for which funds were awarded.

B. ELIGIBILITY

Compliance Requirements

These grants cannot be awarded to benefit a for-profit entity. Eligible applicants are listed in the grant guidelines.

Suggested Audit Procedures

- The auditor is expected to verify eligibility.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

Compliance Requirement

The grant agreement will specify any matching, level of effort, and/or earmarking requirements.

Suggested Audit Procedures

- Review the grant agreement; and
- Verify that any matching, level of effort, and/or earmarking requirements were met.

D. REPORTING REQUIREMENTS

Compliance Requirements

The grant agreement will specify the schedule by which periodic progress and financial reports are to be provided.

Suggested Audit Procedures

- Review the grant agreement;
- Identify the reporting schedule;
- Obtain copies of reports to determine completeness and timeliness of submission and reimbursement of expenses; and
- Trace data in selected reports to underlying documentation.

E. SPECIAL TESTS AND PROVISIONS

Compliance Requirement

The grant agreement will identify any special compliance requirements the grantee is to adhere.

Suggested Audit Procedures

- Review the grant agreement;
- Identify any special compliance provisions; and
- Verify that requirements were met.

Modified 5/00